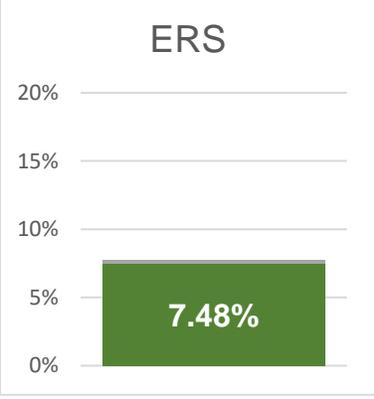
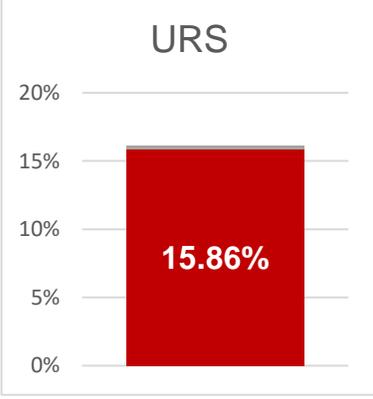
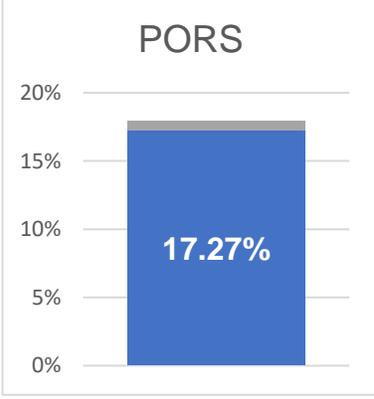
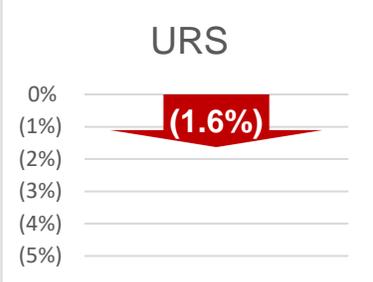
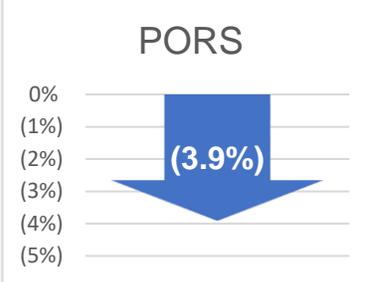


## Summary of Potential Plan Design Changes #1 – Minimum Retirement Age

<b>Potential Change:</b>		
Increase Minimum Retirement Age in Employees' system from age 55 to age 60; Establish a minimum retirement age of 50 in the Uniformed and Police systems		
Employees'	Uniformed	Police
<b>New Normal Cost:</b>		
<ul style="list-style-type: none"> <li>Normal Cost decreases from 7.70% to 7.48% of pay</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases from 16.12% to 15.86% of pay</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases from 17.98% to 17.27% of pay</li> </ul>
 <p style="font-size: 1.2em; font-weight: bold; margin: 0;">ERS</p> <p style="text-align: center; font-weight: bold; font-size: 1.2em; color: green;">7.48%</p>	 <p style="font-size: 1.2em; font-weight: bold; margin: 0;">URS</p> <p style="text-align: center; font-weight: bold; font-size: 1.2em; color: red;">15.86%</p>	 <p style="font-size: 1.2em; font-weight: bold; margin: 0;">PORS</p> <p style="text-align: center; font-weight: bold; font-size: 1.2em; color: blue;">17.27%</p>
<b>Percentage Change in Normal Cost:</b>		
<ul style="list-style-type: none"> <li>Normal Cost decreases by 2.9%</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases by 1.6%</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases by 3.9%</li> </ul>
 <p style="font-size: 1.2em; font-weight: bold; margin: 0;">ERS</p> <p style="text-align: center; font-weight: bold; font-size: 1.2em; color: green;">(2.9%)</p>	 <p style="font-size: 1.2em; font-weight: bold; margin: 0;">URS</p> <p style="text-align: center; font-weight: bold; font-size: 1.2em; color: red;">(1.6%)</p>	 <p style="font-size: 1.2em; font-weight: bold; margin: 0;">PORS</p> <p style="text-align: center; font-weight: bold; font-size: 1.2em; color: blue;">(3.9%)</p>
<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 15.6% decrease in the Normal Cost (from 8.86% to 7.48%)</li> </ul>	<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 6.8% decrease in the Normal Cost (from 17.01% to 15.86%)</li> </ul>	<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 6.9% decrease in the Normal Cost (from 18.54% to 17.27%)</li> </ul>
<b>Employee Share of New Normal Cost:</b>		
<ul style="list-style-type: none"> <li>42%</li> <li>Based on 5.33% EE Rate</li> </ul>	<ul style="list-style-type: none"> <li>31%</li> <li>Based on 7.08% EE Rate</li> </ul>	<ul style="list-style-type: none"> <li>33%</li> <li>Based on 8.65% EE Rate</li> </ul>

**Potential Change:**

Increase Minimum Retirement Age in Employees' system from age 55 to age 60; Establish a minimum retirement age of 50 in the Uniformed and Police systems

Employees'	Uniformed	Police																									
<p><b>Projected General Fund Savings*:</b></p> <ul style="list-style-type: none"> <li data-bbox="203 407 389 436">• \$0.82 million</li> <li data-bbox="618 407 805 436">• \$0.43 million</li> <li data-bbox="1031 407 1218 436">• \$0.82 million</li> </ul> <p style="text-align: center;">Total Savings of \$2.07 million across systems *Based on current payroll</p>																											
<p><b>Impact to Employees:</b></p> <ul style="list-style-type: none"> <li data-bbox="203 577 589 667">• Employees would be required to work up to 5 more years prior to retirement</li> <li data-bbox="203 672 574 793">• Annuity payments would increase due to higher years of service and a higher final average salary</li> <li data-bbox="618 577 995 667">• Employees would be required to work up to 7 more years prior to retirement</li> <li data-bbox="618 672 995 793">• Annuity payments would increase due to higher years of service and a higher final average salary</li> <li data-bbox="1031 577 1408 667">• Employees would be required to work up to 7 more years prior to retirement</li> <li data-bbox="1031 672 1408 793">• Annuity payments would increase due to higher years of service and a higher final average salary</li> </ul>																											
<p><b>Comparison to Other Jurisdictions:</b></p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; vertical-align: top;"> <table border="0" style="width: 100%;"> <tr> <td style="width: 60%;">VRS Hybrid Plan (Alexandria, FCPS, Loudoun, Prince William)</td> <td style="width: 40%;">None</td> </tr> <tr> <td>Federal Government (FERS)</td> <td>Age 55-57</td> </tr> <tr> <td>Arlington County</td> <td>None</td> </tr> </table> </td> <td style="width: 33%; vertical-align: top;"> <table border="0" style="width: 100%;"> <tr> <td style="width: 60%;">VRS Plan 2 (Loudoun, Prince William)</td> <td style="width: 40%;">50</td> </tr> <tr> <td>Federal Government (FERS)</td> <td>50</td> </tr> <tr> <td>City of Alexandria</td> <td>50</td> </tr> <tr> <td>Arlington County</td> <td>None</td> </tr> </table> </td> <td style="width: 33%; vertical-align: top;"> <table border="0" style="width: 100%;"> <tr> <td style="width: 60%;">VRS Plan 2 (Loudoun, Prince William)</td> <td style="width: 40%;">50</td> </tr> <tr> <td>Federal Government (FERS)</td> <td>50</td> </tr> <tr> <td>City of Alexandria</td> <td>50</td> </tr> <tr> <td>Arlington County</td> <td>None</td> </tr> </table> </td> </tr> </table>			<table border="0" style="width: 100%;"> <tr> <td style="width: 60%;">VRS Hybrid Plan (Alexandria, FCPS, Loudoun, Prince William)</td> <td style="width: 40%;">None</td> </tr> <tr> <td>Federal Government (FERS)</td> <td>Age 55-57</td> </tr> <tr> <td>Arlington County</td> <td>None</td> </tr> </table>	VRS Hybrid Plan (Alexandria, FCPS, Loudoun, Prince William)	None	Federal Government (FERS)	Age 55-57	Arlington County	None	<table border="0" style="width: 100%;"> <tr> <td style="width: 60%;">VRS Plan 2 (Loudoun, Prince William)</td> <td style="width: 40%;">50</td> </tr> <tr> <td>Federal Government (FERS)</td> <td>50</td> </tr> <tr> <td>City of Alexandria</td> <td>50</td> </tr> <tr> <td>Arlington County</td> <td>None</td> </tr> </table>	VRS Plan 2 (Loudoun, Prince William)	50	Federal Government (FERS)	50	City of Alexandria	50	Arlington County	None	<table border="0" style="width: 100%;"> <tr> <td style="width: 60%;">VRS Plan 2 (Loudoun, Prince William)</td> <td style="width: 40%;">50</td> </tr> <tr> <td>Federal Government (FERS)</td> <td>50</td> </tr> <tr> <td>City of Alexandria</td> <td>50</td> </tr> <tr> <td>Arlington County</td> <td>None</td> </tr> </table>	VRS Plan 2 (Loudoun, Prince William)	50	Federal Government (FERS)	50	City of Alexandria	50	Arlington County	None
<table border="0" style="width: 100%;"> <tr> <td style="width: 60%;">VRS Hybrid Plan (Alexandria, FCPS, Loudoun, Prince William)</td> <td style="width: 40%;">None</td> </tr> <tr> <td>Federal Government (FERS)</td> <td>Age 55-57</td> </tr> <tr> <td>Arlington County</td> <td>None</td> </tr> </table>	VRS Hybrid Plan (Alexandria, FCPS, Loudoun, Prince William)	None	Federal Government (FERS)	Age 55-57	Arlington County	None	<table border="0" style="width: 100%;"> <tr> <td style="width: 60%;">VRS Plan 2 (Loudoun, Prince William)</td> <td style="width: 40%;">50</td> </tr> <tr> <td>Federal Government (FERS)</td> <td>50</td> </tr> <tr> <td>City of Alexandria</td> <td>50</td> </tr> <tr> <td>Arlington County</td> <td>None</td> </tr> </table>	VRS Plan 2 (Loudoun, Prince William)	50	Federal Government (FERS)	50	City of Alexandria	50	Arlington County	None	<table border="0" style="width: 100%;"> <tr> <td style="width: 60%;">VRS Plan 2 (Loudoun, Prince William)</td> <td style="width: 40%;">50</td> </tr> <tr> <td>Federal Government (FERS)</td> <td>50</td> </tr> <tr> <td>City of Alexandria</td> <td>50</td> </tr> <tr> <td>Arlington County</td> <td>None</td> </tr> </table>	VRS Plan 2 (Loudoun, Prince William)	50	Federal Government (FERS)	50	City of Alexandria	50	Arlington County	None			
VRS Hybrid Plan (Alexandria, FCPS, Loudoun, Prince William)	None																										
Federal Government (FERS)	Age 55-57																										
Arlington County	None																										
VRS Plan 2 (Loudoun, Prince William)	50																										
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City of Alexandria	50																										
Arlington County	None																										
VRS Plan 2 (Loudoun, Prince William)	50																										
Federal Government (FERS)	50																										
City of Alexandria	50																										
Arlington County	None																										
<p><b>Previous Related Benefit Changes:</b></p> <ul style="list-style-type: none"> <li data-bbox="203 1262 589 1383">• As of January 1, 2013, the Minimum Retirement Age was increased from age 50 to 55 for new hires</li> <li data-bbox="618 1262 699 1291">• N/A</li> <li data-bbox="1031 1262 1112 1291">• N/A</li> </ul>																											

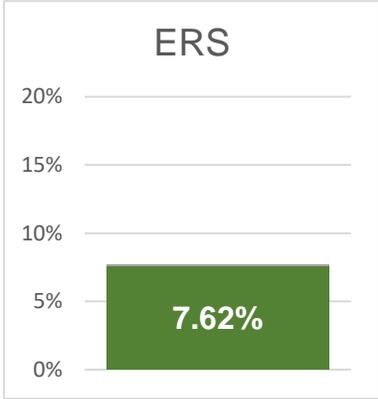
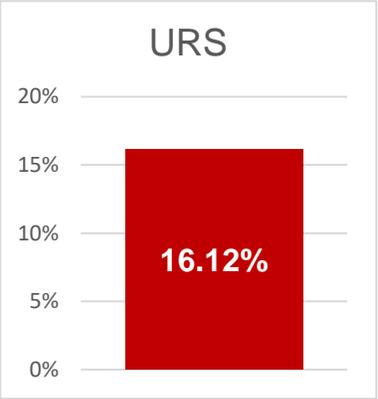
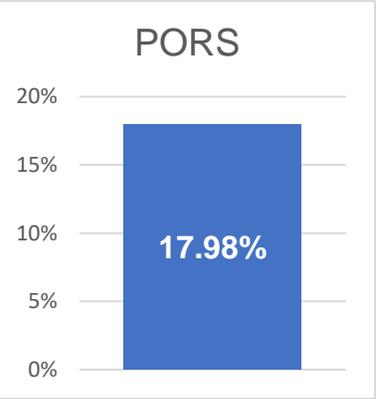
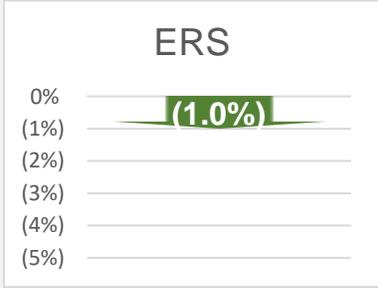
## Summary of Potential Plan Design Changes #2 – Retirement Eligibility

### Potential Change:

Increase Retirement Eligibility from Rule of 85 (Age plus Years of Service) to Rule of 90 for Employees' System

Retirement Eligibility for Uniformed System stays at 25 YOS or Age 55 with 6 YOS

Retirement Eligibility for Police System stays at 25 YOS or Age 55

Employees'	Uniformed	Police
<h3>New Normal Cost:</h3>		
<ul style="list-style-type: none"> <li>Normal Cost decreases from 7.70% to 7.62% of pay</li> </ul>  <p style="text-align: center;"><b>ERS</b></p> <p>20% 15% 10% 5% 0%</p> <p style="text-align: center;"><b>7.62%</b></p>	<ul style="list-style-type: none"> <li>Normal Cost remains at 16.12% of pay</li> </ul>  <p style="text-align: center;"><b>URS</b></p> <p>20% 15% 10% 5% 0%</p> <p style="text-align: center;"><b>16.12%</b></p>	<ul style="list-style-type: none"> <li>Normal Cost remains at 17.98% of pay</li> </ul>  <p style="text-align: center;"><b>PORS</b></p> <p>20% 15% 10% 5% 0%</p> <p style="text-align: center;"><b>17.98%</b></p>
<h3>Percentage Change in Normal Cost:</h3>		
<ul style="list-style-type: none"> <li>Normal Cost decreases by 1.0%</li> </ul>  <p style="text-align: center;"><b>ERS</b></p> <p>0% (1%) (2%) (3%) (4%) (5%)</p> <p style="text-align: center;"><b>(1.0%)</b></p> <ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 14.0% decrease in the Normal Cost (from 8.86% to 7.62%)</li> </ul>	<ul style="list-style-type: none"> <li>The changes in 2013 decreased the Normal Cost by 5.2% (from 17.01% to 16.12%)</li> </ul>	<ul style="list-style-type: none"> <li>The changes in 2013 decreased the Normal Cost by 3.0% (from 18.54% to 17.98%)</li> </ul>
<h3>Employee Share of New Normal Cost:</h3>		
<ul style="list-style-type: none"> <li>41%</li> <li>Based on 5.33% EE Rate</li> </ul>	<ul style="list-style-type: none"> <li>31%</li> <li>Based on 7.08% EE Rate</li> </ul>	<ul style="list-style-type: none"> <li>32%</li> <li>Based on 8.65% EE Rate</li> </ul>

**Potential Change:**

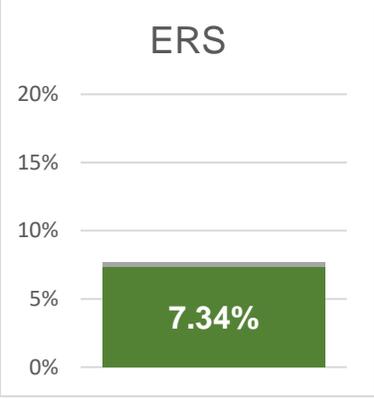
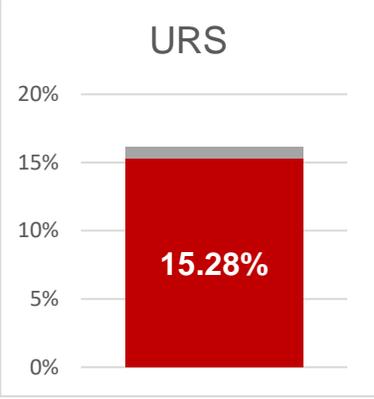
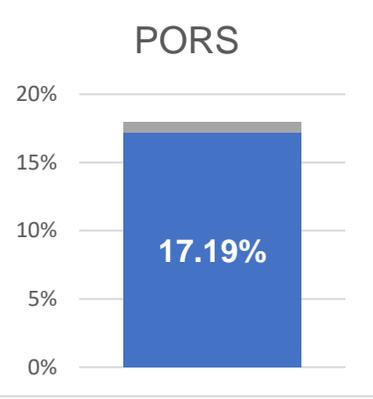
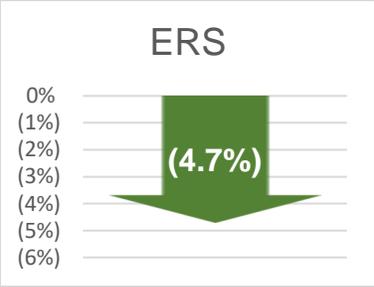
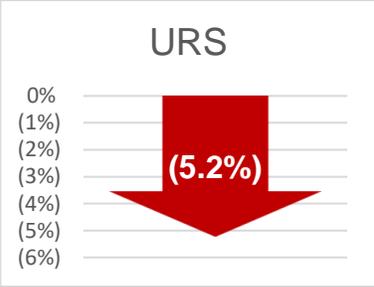
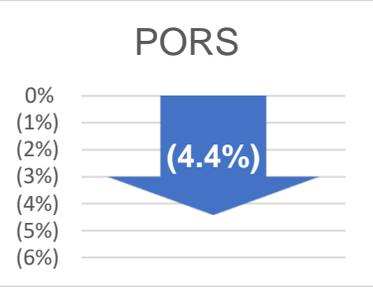
Increase Retirement Eligibility from Rule of 85 (Age plus Years of Service) to Rule of 90 for Employees' System

Retirement Eligibility for Uniformed System stays at 25 YOS or Age 55 with 6 YOS

Retirement Eligibility for Police System stays at 25 YOS or Age 55

Employees'	Uniformed	Police																								
<p><b>Projected General Fund Savings*:</b></p> <ul style="list-style-type: none"> <li>\$0.30 million</li> </ul> <p style="text-align: center;">Total Savings of \$0.30 million across systems *Based on current payroll</p>																										
<p><b>Impact to Employees:</b></p> <ul style="list-style-type: none"> <li>Employees would be required to work for 2.5 more years prior to retirement</li> <li>Annuity payments would increase due to higher years of service and a higher final average salary</li> </ul>																										
<p><b>Comparison to Other Jurisdictions:</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">VRS Hybrid Plan (Alexandria, FCPS, Loudoun, Prince William)</td> <td style="width: 25%;">Rule of 90 <i>or</i> Normal SS Retirement Age with 5 YOS</td> <td style="width: 25%;">VRS Plan 2 (Loudoun, Prince William)</td> <td style="width: 25%;">25 YOS <i>or</i> Age 60 with 5 YOS</td> <td style="width: 25%;">VRS Plan 2 (Loudoun, Prince William)</td> <td style="width: 25%;">25 YOS <i>or</i> Age 60 with 5 YOS</td> </tr> <tr> <td>Federal Government (FERS)</td> <td>30 YOS <i>or</i> Age 60 with 20 YOS <i>or</i> Age 62 with 5 YOS</td> <td>Federal Government (FERS)</td> <td>20 YOS</td> <td>Federal Government (FERS)</td> <td>20 YOS</td> </tr> <tr> <td>Arlington County</td> <td>Rule of 80 <i>or</i> 30 YOS <i>or</i> Age 62 with 5 YOS</td> <td>City of Alexandria</td> <td>25 YOS <i>or</i> Age 55 with 5 YOS</td> <td>City of Alexandria</td> <td>25 YOS <i>or</i> Age 55 with 5 YOS</td> </tr> <tr> <td></td> <td></td> <td>Arlington County</td> <td>25 YOS <i>or</i> Age 52 with 5 YOS</td> <td>Arlington County</td> <td>25 YOS <i>or</i> Age 52 with 5 YOS</td> </tr> </table>			VRS Hybrid Plan (Alexandria, FCPS, Loudoun, Prince William)	Rule of 90 <i>or</i> Normal SS Retirement Age with 5 YOS	VRS Plan 2 (Loudoun, Prince William)	25 YOS <i>or</i> Age 60 with 5 YOS	VRS Plan 2 (Loudoun, Prince William)	25 YOS <i>or</i> Age 60 with 5 YOS	Federal Government (FERS)	30 YOS <i>or</i> Age 60 with 20 YOS <i>or</i> Age 62 with 5 YOS	Federal Government (FERS)	20 YOS	Federal Government (FERS)	20 YOS	Arlington County	Rule of 80 <i>or</i> 30 YOS <i>or</i> Age 62 with 5 YOS	City of Alexandria	25 YOS <i>or</i> Age 55 with 5 YOS	City of Alexandria	25 YOS <i>or</i> Age 55 with 5 YOS			Arlington County	25 YOS <i>or</i> Age 52 with 5 YOS	Arlington County	25 YOS <i>or</i> Age 52 with 5 YOS
VRS Hybrid Plan (Alexandria, FCPS, Loudoun, Prince William)	Rule of 90 <i>or</i> Normal SS Retirement Age with 5 YOS	VRS Plan 2 (Loudoun, Prince William)	25 YOS <i>or</i> Age 60 with 5 YOS	VRS Plan 2 (Loudoun, Prince William)	25 YOS <i>or</i> Age 60 with 5 YOS																					
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Arlington County	Rule of 80 <i>or</i> 30 YOS <i>or</i> Age 62 with 5 YOS	City of Alexandria	25 YOS <i>or</i> Age 55 with 5 YOS	City of Alexandria	25 YOS <i>or</i> Age 55 with 5 YOS																					
		Arlington County	25 YOS <i>or</i> Age 52 with 5 YOS	Arlington County	25 YOS <i>or</i> Age 52 with 5 YOS																					
<p><b>Previous Related Benefit Changes:</b></p> <ul style="list-style-type: none"> <li>As of January 1, 2013, Retirement Eligibility was changed from the Rule of 80 to the Rule of 85 for new hires</li> <li>N/A</li> <li>N/A</li> </ul>																										

## Summary of Potential Plan Design Changes #3 – Salary Averaging

<b>Potential Change:</b> Increase Salary Averaging Period from 3 Years to 5 Years		
<b>Employees'</b>	<b>Uniformed</b>	<b>Police</b>
<b>New Normal Cost:</b>		
<ul style="list-style-type: none"> <li>Normal Cost decreases from 7.70% to 7.34% of pay</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases from 16.12% to 15.28% of pay</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases from 17.98% to 17.19% of pay</li> </ul>
 <p style="text-align: center; font-weight: bold; font-size: 1.2em;">ERS</p> <p style="text-align: center;">20% 15% 10% 5% 0%</p> <p style="text-align: center; font-size: 1.5em; color: green; font-weight: bold;">7.34%</p>	 <p style="text-align: center; font-weight: bold; font-size: 1.2em;">URS</p> <p style="text-align: center;">20% 15% 10% 5% 0%</p> <p style="text-align: center; font-size: 1.5em; color: red; font-weight: bold;">15.28%</p>	 <p style="text-align: center; font-weight: bold; font-size: 1.2em;">PORS</p> <p style="text-align: center;">20% 15% 10% 5% 0%</p> <p style="text-align: center; font-size: 1.5em; color: blue; font-weight: bold;">17.19%</p>
<b>Percentage Change in Normal Cost:</b>		
<ul style="list-style-type: none"> <li>Normal Cost decreases by 4.7%</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases by 5.2%</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases by 4.4%</li> </ul>
 <p style="text-align: center; font-weight: bold; font-size: 1.2em;">ERS</p> <p style="text-align: center;">0% (1%) (2%) (3%) (4%) (5%) (6%)</p> <p style="text-align: center; font-size: 1.5em; color: green; font-weight: bold;">(4.7%)</p>	 <p style="text-align: center; font-weight: bold; font-size: 1.2em;">URS</p> <p style="text-align: center;">0% (1%) (2%) (3%) (4%) (5%) (6%)</p> <p style="text-align: center; font-size: 1.5em; color: red; font-weight: bold;">(5.2%)</p>	 <p style="text-align: center; font-weight: bold; font-size: 1.2em;">PORS</p> <p style="text-align: center;">0% (1%) (2%) (3%) (4%) (5%) (6%)</p> <p style="text-align: center; font-size: 1.5em; color: blue; font-weight: bold;">(4.4%)</p>
<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 17.2% decrease in the Normal Cost (from 8.86% to 7.34%)</li> </ul>	<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 10.2% decrease in the Normal Cost (from 17.01% to 15.28%)</li> </ul>	<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 7.3% decrease in the Normal Cost (from 18.54% to 17.19%)</li> </ul>
<b>Employee Share of New Normal Cost:</b>		
<ul style="list-style-type: none"> <li>42%</li> <li>Based on 5.33% EE Rate</li> </ul>	<ul style="list-style-type: none"> <li>32%</li> <li>Based on 7.08% EE Rate</li> </ul>	<ul style="list-style-type: none"> <li>33%</li> <li>Based on 8.65% EE Rate</li> </ul>

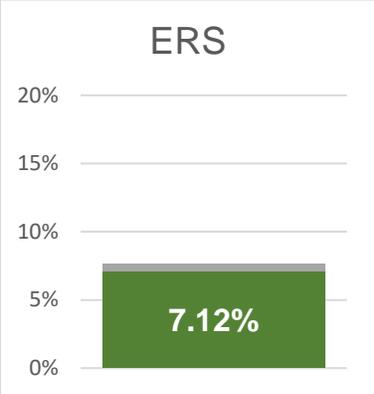
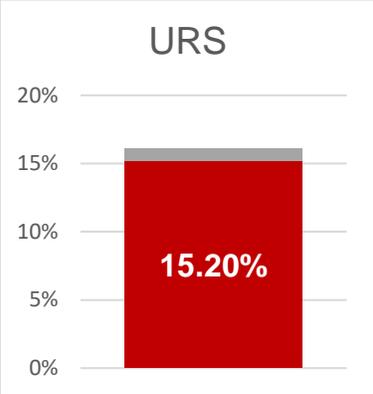
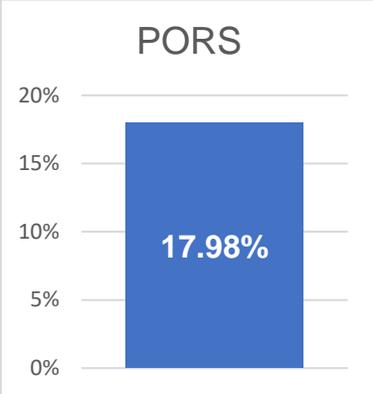
**Potential Change:**

Increase Salary Averaging Period from 3 Years to 5 Years

Employees'	Uniformed	Police																									
<p><b>Projected General Fund Savings*:</b></p> <ul style="list-style-type: none"> <li data-bbox="203 373 389 401">• \$1.34 million</li> <li data-bbox="618 373 805 401">• \$1.39 million</li> <li data-bbox="1029 373 1216 401">• \$0.92 million</li> </ul> <p style="text-align: center;">Total Savings of \$3.65 million across systems *Based on current payroll</p>																											
<p><b>Impact to Employees:</b></p> <ul style="list-style-type: none"> <li data-bbox="203 548 568 695">• Annuity payments would likely decrease based on 2 additional annual salaries (likely lower) being included in average</li> <li data-bbox="618 548 984 695">• Annuity payments would likely decrease based on 2 additional annual salaries (likely lower) being included in average</li> <li data-bbox="1029 548 1395 695">• Annuity payments would likely decrease based on 2 additional annual salaries (likely lower) being included in average</li> </ul>																											
<p><b>Comparison to Other Jurisdictions:</b></p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; vertical-align: top;"> <table border="0" style="width: 100%;"> <tr> <td>VRS Hybrid Plan (Alexandria, FCPS, Loudoun, Prince William)</td> <td style="text-align: right;">5 Years</td> </tr> <tr> <td>Federal Government (FERS)</td> <td style="text-align: right;">3 Years</td> </tr> <tr> <td>Arlington County</td> <td style="text-align: right;">3 Years</td> </tr> </table> </td> <td style="width: 33%; vertical-align: top;"> <table border="0" style="width: 100%;"> <tr> <td>VRS Plan 2 (Loudoun, Prince William)</td> <td style="text-align: right;">5 Years</td> </tr> <tr> <td>Federal Government (FERS)</td> <td style="text-align: right;">3 Years</td> </tr> <tr> <td>City of Alexandria</td> <td style="text-align: right;">4 Years</td> </tr> <tr> <td>Arlington County</td> <td style="text-align: right;">3 Years</td> </tr> </table> </td> <td style="width: 33%; vertical-align: top;"> <table border="0" style="width: 100%;"> <tr> <td>VRS Plan 2 (Loudoun, Prince William)</td> <td style="text-align: right;">5 Years</td> </tr> <tr> <td>Federal Government (FERS)</td> <td style="text-align: right;">3 Years</td> </tr> <tr> <td>City of Alexandria</td> <td style="text-align: right;">4 Years</td> </tr> <tr> <td>Arlington County</td> <td style="text-align: right;">3 Years</td> </tr> </table> </td> </tr> </table>			<table border="0" style="width: 100%;"> <tr> <td>VRS Hybrid Plan (Alexandria, FCPS, Loudoun, Prince William)</td> <td style="text-align: right;">5 Years</td> </tr> <tr> <td>Federal Government (FERS)</td> <td style="text-align: right;">3 Years</td> </tr> <tr> <td>Arlington County</td> <td style="text-align: right;">3 Years</td> </tr> </table>	VRS Hybrid Plan (Alexandria, FCPS, Loudoun, Prince William)	5 Years	Federal Government (FERS)	3 Years	Arlington County	3 Years	<table border="0" style="width: 100%;"> <tr> <td>VRS Plan 2 (Loudoun, Prince William)</td> <td style="text-align: right;">5 Years</td> </tr> <tr> <td>Federal Government (FERS)</td> <td style="text-align: right;">3 Years</td> </tr> <tr> <td>City of Alexandria</td> <td style="text-align: right;">4 Years</td> </tr> <tr> <td>Arlington County</td> <td style="text-align: right;">3 Years</td> </tr> </table>	VRS Plan 2 (Loudoun, Prince William)	5 Years	Federal Government (FERS)	3 Years	City of Alexandria	4 Years	Arlington County	3 Years	<table border="0" style="width: 100%;"> <tr> <td>VRS Plan 2 (Loudoun, Prince William)</td> <td style="text-align: right;">5 Years</td> </tr> <tr> <td>Federal Government (FERS)</td> <td style="text-align: right;">3 Years</td> </tr> <tr> <td>City of Alexandria</td> <td style="text-align: right;">4 Years</td> </tr> <tr> <td>Arlington County</td> <td style="text-align: right;">3 Years</td> </tr> </table>	VRS Plan 2 (Loudoun, Prince William)	5 Years	Federal Government (FERS)	3 Years	City of Alexandria	4 Years	Arlington County	3 Years
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City of Alexandria	4 Years																										
Arlington County	3 Years																										
<p><b>Previous Related Benefit Changes:</b></p> <ul style="list-style-type: none"> <li data-bbox="203 1255 284 1283">• N/A</li> <li data-bbox="618 1255 699 1283">• N/A</li> <li data-bbox="1029 1255 1110 1283">• N/A</li> </ul>																											

## Summary of Potential Plan Design Changes

### #4 – Eliminate Pre-Social Security Supplement

<b>Potential Change:</b>		
Eliminate Pre-Social Security Supplement for Employees' and Uniformed Systems As Police Officers do not participate in Social Security, there is no impact to the Police System		
Employees'	Uniformed	Police
<b>New Normal Cost:</b>		
<ul style="list-style-type: none"> <li>Normal Cost decreases from 7.70% to 7.12% of pay</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases from 16.12% to 15.20% of pay</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost remains at 17.98% of pay</li> </ul>
 <p style="text-align: center; font-weight: bold; font-size: 1.2em;">ERS</p> <p style="text-align: center; font-weight: bold; font-size: 1.2em;">7.12%</p>	 <p style="text-align: center; font-weight: bold; font-size: 1.2em;">URS</p> <p style="text-align: center; font-weight: bold; font-size: 1.2em;">15.20%</p>	 <p style="text-align: center; font-weight: bold; font-size: 1.2em;">PORS</p> <p style="text-align: center; font-weight: bold; font-size: 1.2em;">17.98%</p>
<b>Percentage Change in Normal Cost:</b>		
<ul style="list-style-type: none"> <li>Normal Cost decreases by 7.5%</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases by 5.7%</li> </ul>	
 <p style="text-align: center; font-weight: bold; font-size: 1.2em;">ERS</p> <p style="text-align: center; font-weight: bold; font-size: 1.2em;">(7.5%)</p>	 <p style="text-align: center; font-weight: bold; font-size: 1.2em;">URS</p> <p style="text-align: center; font-weight: bold; font-size: 1.2em;">(5.7%)</p>	
<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 19.6% decrease in the Normal Cost (from 8.86% to 7.12%)</li> </ul>	<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 10.6% decrease in the Normal Cost (from 17.01% to 15.20%)</li> </ul>	<ul style="list-style-type: none"> <li>The changes in 2013 decreased the Normal Cost by 3.0% (from 18.54% to 17.98%)</li> </ul>
<b>Employee Share of New Normal Cost:</b>		
<ul style="list-style-type: none"> <li>43%</li> <li>Based on 5.33% EE Rate</li> </ul>	<ul style="list-style-type: none"> <li>32%</li> <li>Based on 7.08% EE Rate</li> </ul>	<ul style="list-style-type: none"> <li>32%</li> <li>Based on 8.65% EE Rate</li> </ul>

**Potential Change:**

Eliminate Pre-Social Security Supplement for Employees' and Uniformed Systems  
 As Police Officers do not participate in Social Security, there is no impact to the Police System

Employees'	Uniformed	Police
------------	-----------	--------

**Projected General Fund Savings\*:**

- |   |  |  |
|---|--|--|
| <ul style="list-style-type: none"> <li>\$2.15 million</li> </ul>            | <ul style="list-style-type: none"> <li>\$1.52 million</li> </ul> |  |
| Total Savings of \$3.67 million across systems<br>*Based on current payroll |  |  |

**Impact to Employees:**

- |   |   |  |
|---|---|--|
| <ul style="list-style-type: none"> <li>Annuity payments would be lower between retirement and normal Social Security age</li> </ul> | <ul style="list-style-type: none"> <li>Annuity payments would be lower between retirement and normal Social Security age</li> </ul> |  |
|---|---|--|

**Comparison to Other Jurisdictions\*:**

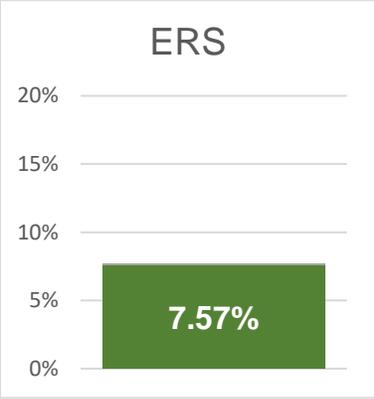
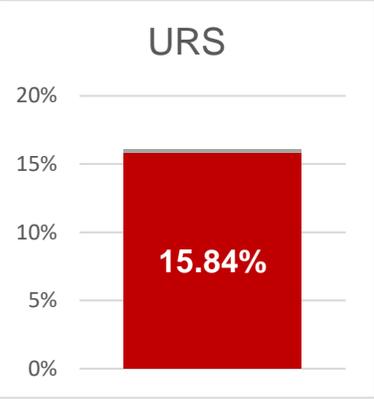
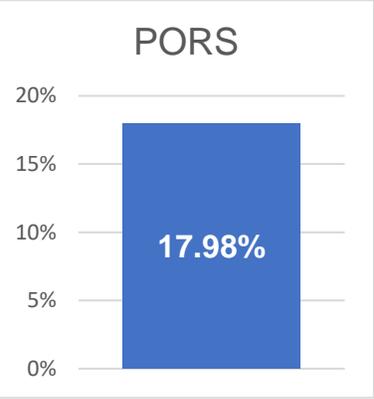
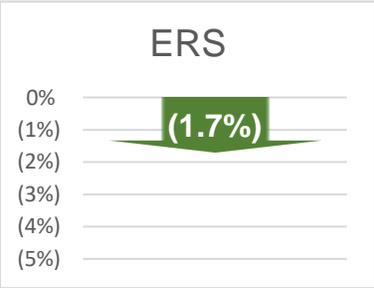
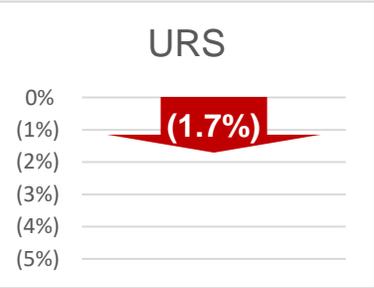
VRS Hybrid Plan (Alexandria, FCPS, Loudoun, Prince William)	Option	VRS Plan 2 (Loudoun, Prince William)	Supplement	VRS Plan 2 (Loudoun, Prince William)	Supplement
Federal Government (FERS)	Supplement	Federal Government (FERS)	Supplement	Federal Government (FERS)	Supplement
Arlington County	Option	City of Alexandria	None	City of Alexandria	None
		Arlington County	Option	Arlington County	Option

\* Details regarding these plan benefits are included on Pages 44 and 45 of the October 3, 2017 presentation

**Previous Related Benefit Changes:**

- |  |   |   |
|--|---|---|
| <ul style="list-style-type: none"> <li>In 2013, Pre-Social Security supplement was eliminated from DROP balances for new hires only</li> </ul> | <ul style="list-style-type: none"> <li>In FY 1997, pre-Social Security supplement was eliminated in conjunction with an increase in the multiplier from 1.8% to 2.3%</li> <li>Pre-Social Security supplement was reinstated at 0.3% in FY 2002</li> <li>In 2013, Pre-Social Security supplement was eliminated from DROP balances for new hires only</li> </ul> | <ul style="list-style-type: none"> <li>N/A</li> </ul> |
|--|---|---|

## Summary of Potential Plan Design Changes #5 – Limit Pre-Social Security Supplement

Potential Change:		
Limit Pre-Social Security Supplement to 5 Years for the Employees' System and 7 Years for the Uniformed System  As Police Officers do not participate in Social Security, there is no impact to the Police System		
Employees'	Uniformed	Police
<b>New Normal Cost:</b>		
<ul style="list-style-type: none"> <li>Normal Cost decreases from 7.70% to 7.57% of pay</li> </ul>  <p style="text-align: center;"><b>ERS</b></p> <p style="text-align: center;">7.57%</p>	<ul style="list-style-type: none"> <li>Normal Cost decreases from 16.12% to 15.84% of pay</li> </ul>  <p style="text-align: center;"><b>URS</b></p> <p style="text-align: center;">15.84%</p>	<ul style="list-style-type: none"> <li>Normal Cost remains at 17.98% of pay</li> </ul>  <p style="text-align: center;"><b>PORS</b></p> <p style="text-align: center;">17.98%</p>
<b>Percentage Change in Normal Cost:</b>		
<ul style="list-style-type: none"> <li>Normal Cost decreases by 1.7%</li> </ul>  <p style="text-align: center;"><b>ERS</b></p> <p style="text-align: center;">(1.7%)</p>	<ul style="list-style-type: none"> <li>Normal Cost decreases by 1.7%</li> </ul>  <p style="text-align: center;"><b>URS</b></p> <p style="text-align: center;">(1.7%)</p>	<ul style="list-style-type: none"> <li>The changes in 2013 decreased the Normal Cost by 3.0% (from 18.54% to 17.98%)</li> </ul>
<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 14.6% decrease in the Normal Cost (from 8.86% to 7.57%)</li> </ul>	<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 6.9% decrease in the Normal Cost (from 17.01% to 15.84%)</li> </ul>	
<b>Employee Share of New Normal Cost:</b>		
<ul style="list-style-type: none"> <li>41%</li> <li>Based on 5.33% EE Rate</li> </ul>	<ul style="list-style-type: none"> <li>31%</li> <li>Based on 7.08% EE Rate</li> </ul>	<ul style="list-style-type: none"> <li>32%</li> <li>Based on 8.65% EE Rate</li> </ul>

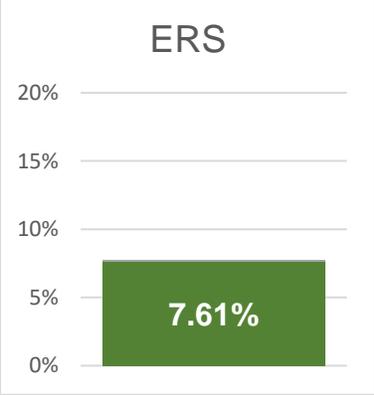
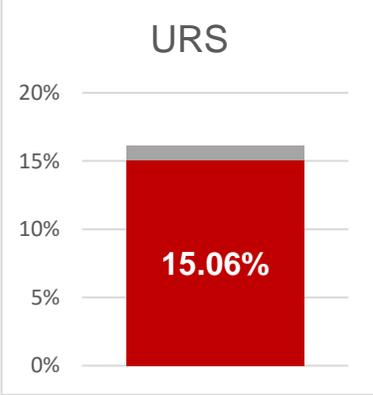
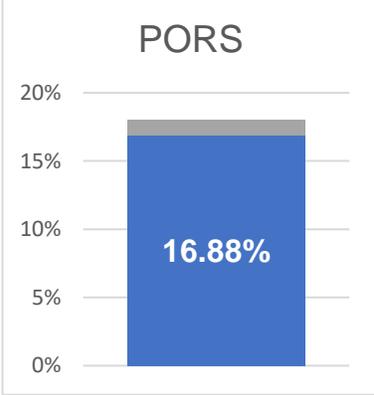
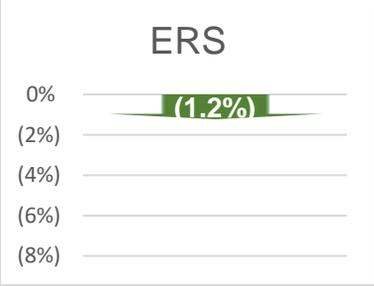
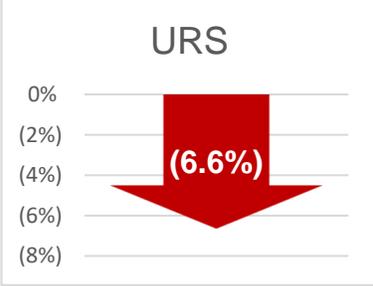
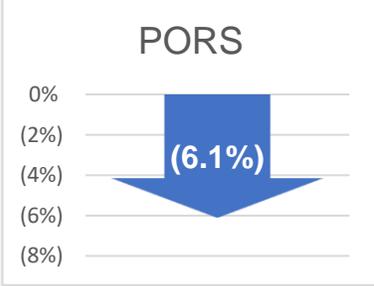
**Potential Change:**

Limit Pre-Social Security Supplement to 5 Years for the Employees' System and 7 Years for the Uniformed System

As Police Officers do not participate in Social Security, there is no impact to the Police System

Employees'	Uniformed	Police
<p><b>Projected General Fund Savings*:</b></p>		
<ul style="list-style-type: none"> <li>\$0.48 million</li> </ul>	<ul style="list-style-type: none"> <li>\$0.46 million</li> </ul>	
<p style="text-align: center;">Total Savings of \$0.94 million across systems *Based on current payroll</p>		
<p><b>Impact to Employees:</b></p>		
<ul style="list-style-type: none"> <li>Supplement would begin no earlier than age 62 for ERS</li> </ul>	<ul style="list-style-type: none"> <li>Supplement would begin no earlier than age 60 for URS</li> </ul>	
<p><b>Comparison to Other Jurisdictions*:</b></p>		
<p>VRS Hybrid Plan (Alexandria, FCPS, Loudoun, Prince William)    Option</p>	<p>VRS Plan 2 (Loudoun, Prince William)    Supplement</p>	<p>VRS Plan 2 (Loudoun, Prince William)    Supplement</p>
<p>Federal Government (FERS)    Supplement</p>	<p>Federal Government (FERS)    Supplement</p>	<p>Federal Government (FERS)    Supplement</p>
<p>Arlington County    Option</p>	<p>City of Alexandria    None Arlington County    Option</p>	<p>City of Alexandria    None Arlington County    Option</p>
<p style="text-align: center;">* Details regarding these plan benefits are included on Pages 44 and 45 of the October 3, 2017 presentation</p>		
<p><b>Previous Related Benefit Changes:</b></p>		
<ul style="list-style-type: none"> <li>In 2013, Pre-Social Security supplement was eliminated from DROP balances for new hires only</li> </ul>	<ul style="list-style-type: none"> <li>In FY 1997, pre-Social Security supplement was eliminated in conjunction with an increase in the multiplier from 1.8% to 2.3%</li> <li>Pre-Social Security supplement was reinstated at 0.3% in FY 2002</li> <li>In 2013, Pre-Social Security supplement was eliminated from DROP balances for new hires only</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>

## Summary of Potential Plan Design Changes #6 – Limit Retiree COLA

<b>Potential Change:</b>		
Limit application of the Retiree COLA to the first \$30,000 in benefits (increased by COLA in subsequent years)		
Employees'	Uniformed	Police
<b>New Normal Cost:</b>		
<ul style="list-style-type: none"> <li>Normal Cost decreases from 7.70% to 7.61% of pay</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases from 16.12% to 15.06% of pay</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases from 17.98% to 16.88% of pay</li> </ul>
 <p style="text-align: center;"><b>ERS</b></p> <p style="text-align: center;">20% 15% 10% 5% 0%</p> <p style="text-align: center; font-size: 1.2em; color: green;">7.61%</p>	 <p style="text-align: center;"><b>URS</b></p> <p style="text-align: center;">20% 15% 10% 5% 0%</p> <p style="text-align: center; font-size: 1.2em; color: red;">15.06%</p>	 <p style="text-align: center;"><b>PORS</b></p> <p style="text-align: center;">20% 15% 10% 5% 0%</p> <p style="text-align: center; font-size: 1.2em; color: blue;">16.88%</p>
<b>Percentage Change in Normal Cost:</b>		
<ul style="list-style-type: none"> <li>Normal Cost decreases by 1.2%</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases by 6.6%</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases by 6.1%</li> </ul>
 <p style="text-align: center;"><b>ERS</b></p> <p style="text-align: center;">0% (2%) (4%) (6%) (8%)</p> <p style="text-align: center; font-size: 1.2em; color: green;">(1.2%)</p>	 <p style="text-align: center;"><b>URS</b></p> <p style="text-align: center;">0% (2%) (4%) (6%) (8%)</p> <p style="text-align: center; font-size: 1.2em; color: red;">(6.6%)</p>	 <p style="text-align: center;"><b>PORS</b></p> <p style="text-align: center;">0% (2%) (4%) (6%) (8%)</p> <p style="text-align: center; font-size: 1.2em; color: blue;">(6.1%)</p>
<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 14.1% decrease in the Normal Cost (from 8.86% to 7.61%)</li> </ul>	<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in an 11.5% decrease in the Normal Cost (from 17.01% to 15.06%)</li> </ul>	<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 9.0% decrease in the Normal Cost (from 18.54% to 16.88%)</li> </ul>
<b>Employee Share of New Normal Cost:</b>		
<ul style="list-style-type: none"> <li>41%</li> <li>Based on 5.33% EE Rate</li> </ul>	<ul style="list-style-type: none"> <li>32%</li> <li>Based on 7.08% EE Rate</li> </ul>	<ul style="list-style-type: none"> <li>34%</li> <li>Based on 8.65% EE Rate</li> </ul>

**Potential Change:**

Limit application of the Retiree COLA to the first \$30,000 in benefits (increased by COLA in subsequent years)

Employees'	Uniformed	Police
<p><b>Projected General Fund Savings*:</b></p> <ul style="list-style-type: none"><li data-bbox="203 407 389 436">• \$0.33 million</li><li data-bbox="618 407 805 436">• \$1.75 million</li><li data-bbox="1031 407 1218 436">• \$1.28 million</li></ul> <p data-bbox="542 453 1081 483">Total Savings of \$3.36 million across systems</p> <p data-bbox="691 485 932 514">*Based on current payroll</p>		
<p><b>Impact to Employees:</b></p> <ul style="list-style-type: none"><li data-bbox="203 579 574 758">• The COLA provided to new hires when they retire would be calculated on only the portion of retirement income that falls below a certain threshold</li><li data-bbox="203 764 574 825">• Annuity payments later in retirement would be reduced</li><li data-bbox="203 831 574 913">• Provides inflation protection to a core level of annuity payments</li></ul>	<ul style="list-style-type: none"><li data-bbox="618 579 990 758">• The COLA provided to new hires when they retire would be calculated on only the portion of retirement income that falls below a certain threshold</li><li data-bbox="618 764 990 825">• Annuity payments later in retirement would be reduced</li><li data-bbox="618 831 990 913">• Provides inflation protection to a core level of annuity payments</li></ul>	<ul style="list-style-type: none"><li data-bbox="1031 579 1403 758">• The COLA provided to new hires when they retire would be calculated on only the portion of retirement income that falls below a certain threshold</li><li data-bbox="1031 764 1403 825">• Annuity payments later in retirement would be reduced</li><li data-bbox="1031 831 1403 913">• Provides inflation protection to a core level of annuity payments</li></ul>
<p><b>Comparison to Other Jurisdictions:</b></p> <ul style="list-style-type: none"><li data-bbox="203 989 451 1018">• Data not available</li><li data-bbox="618 989 867 1018">• Data not available</li><li data-bbox="1031 989 1279 1018">• Data not available</li></ul>		
<p><b>Previous Related Benefit Changes:</b></p> <ul style="list-style-type: none"><li data-bbox="203 1100 289 1129">• N/A</li><li data-bbox="618 1100 704 1129">• N/A</li><li data-bbox="1031 1100 1117 1129">• N/A</li></ul>		

## Summary of Potential Plan Design Changes #7 – Reduce Multiplier

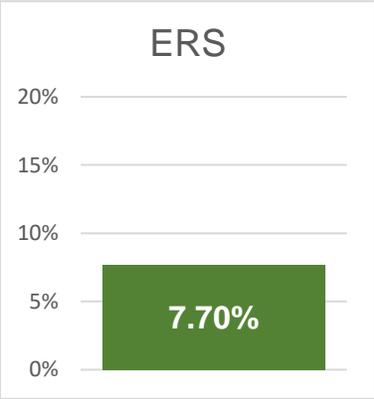
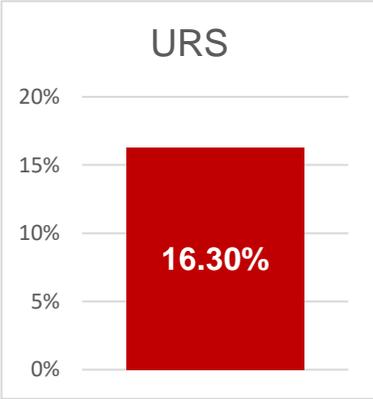
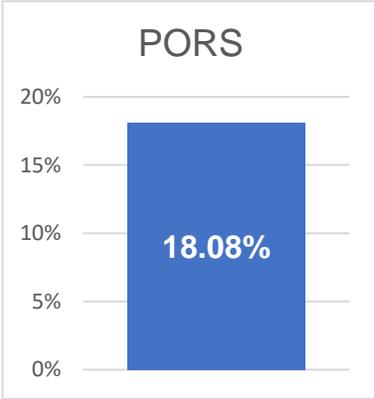
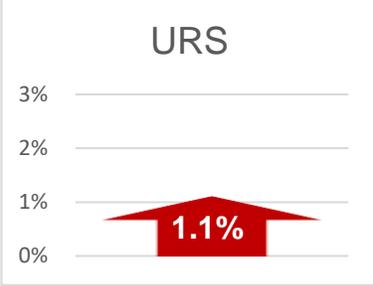
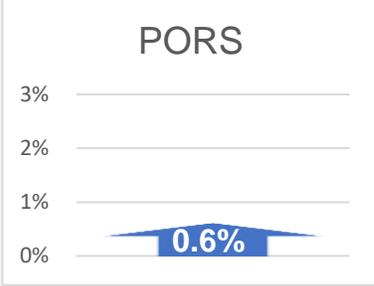
<b>Potential Change:</b>		
Reduce base multiplier (currently 2.0% in Employees', 2.5% in Uniformed, and 2.8% in Police) by 0.1%		
Employees'	Uniformed	Police
<b>New Normal Cost:</b>		
<ul style="list-style-type: none"> <li>Normal Cost decreases from 7.70% to 7.14% of pay</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases from 16.12% to 15.30% of pay</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases from 17.98% to 17.19% of pay</li> </ul>
<p style="text-align: center;"><b>ERS</b></p> <p>20% 15% 10% 5% 0%</p> <p style="text-align: center; font-size: 1.2em; color: green;"><b>7.14%</b></p>	<p style="text-align: center;"><b>URS</b></p> <p>20% 15% 10% 5% 0%</p> <p style="text-align: center; font-size: 1.2em; color: red;"><b>15.30%</b></p>	<p style="text-align: center;"><b>PORS</b></p> <p>20% 15% 10% 5% 0%</p> <p style="text-align: center; font-size: 1.2em; color: blue;"><b>17.19%</b></p>
<b>Percentage Change in Normal Cost:</b>		
<ul style="list-style-type: none"> <li>Normal Cost decreases by 7.3%</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases by 5.1%</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases by 4.4%</li> </ul>
<p style="text-align: center;"><b>ERS</b></p> <p>0% (2%) (4%) (6%) (8%)</p> <p style="text-align: center; font-size: 1.2em; color: green;"><b>(7.3%)</b></p>	<p style="text-align: center;"><b>URS</b></p> <p>0% (2%) (4%) (6%) (8%)</p> <p style="text-align: center; font-size: 1.2em; color: red;"><b>(5.1%)</b></p>	<p style="text-align: center;"><b>PORS</b></p> <p>0% (2%) (4%) (6%) (8%)</p> <p style="text-align: center; font-size: 1.2em; color: blue;"><b>(4.4%)</b></p>
<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 19.4% decrease in the Normal Cost (from 8.86% to 7.14%)</li> </ul>	<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 10.1% decrease in the Normal Cost (from 17.01% to 15.30%)</li> </ul>	<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 7.3% decrease in the Normal Cost (from 18.54% to 17.19%)</li> </ul>
<b>Employee Share of New Normal Cost:</b>		
<ul style="list-style-type: none"> <li>43%</li> <li>Based on 5.33% EE Rate</li> </ul>	<ul style="list-style-type: none"> <li>32%</li> <li>Based on 7.08% EE Rate</li> </ul>	<ul style="list-style-type: none"> <li>33%</li> <li>Based on 8.65% EE Rate</li> </ul>

## Potential Change:

Reduce base multiplier (currently 2.0% in Employees', 2.5% in Uniformed, and 2.8% in Police) by 0.1%

Employees'	Uniformed	Police																														
<p><b>Projected General Fund Savings*:</b></p> <ul style="list-style-type: none"> <li data-bbox="203 407 602 436">• \$2.08 million</li> <li data-bbox="602 407 1019 436">• \$1.35 million</li> <li data-bbox="1019 407 1427 436">• \$0.92 million</li> </ul> <p style="text-align: center;">Total Savings of \$4.35 million across systems *Based on current payroll</p>																																
<p><b>Impact to Employees:</b></p> <ul style="list-style-type: none"> <li data-bbox="203 575 602 638">• Annuity payments would be lower</li> <li data-bbox="602 575 1019 638">• Annuity payments would be lower</li> <li data-bbox="1019 575 1427 638">• Annuity payments would be lower</li> </ul>																																
<p><b>Comparison to Other Jurisdictions:</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td style="width: 33%; vertical-align: top;"> VRS Hybrid Plan<sup>1</sup> (Loudoun, Prince William) </td> <td style="width: 33%; vertical-align: top;"> VRS Plan 2 (Loudoun, Prince William) </td> <td style="width: 33%; vertical-align: top;"> VRS Plan 2 (Loudoun, Prince William) </td> </tr> <tr> <td style="text-align: right; vertical-align: top;"> 1% </td> <td style="text-align: left; vertical-align: top;"> 1.70% <i>or</i> 1.85% </td> <td style="text-align: left; vertical-align: top;"> 1.70% <i>or</i> 1.85% </td> </tr> <tr> <td style="vertical-align: top;"> Federal Government<sup>2,3</sup> (FERS) </td> <td style="vertical-align: top;"> Federal Government<sup>2</sup> (FERS) </td> <td style="vertical-align: top;"> Federal Government<sup>2</sup> (FERS) </td> </tr> <tr> <td style="text-align: right; vertical-align: top;"> 1% <i>or</i> 1.1% </td> <td style="text-align: left; vertical-align: top;"> 1.7% (1% after 20 YOS) </td> <td style="text-align: left; vertical-align: top;"> 1.7% (1% after 20 YOS) </td> </tr> <tr> <td style="vertical-align: top;"> City of Alexandria<sup>1</sup> (VRS Hybrid + Supplemental) </td> <td style="vertical-align: top;"> City of Alexandria </td> <td style="vertical-align: top;"> City of Alexandria </td> </tr> <tr> <td style="text-align: right; vertical-align: top;"> 1.8% </td> <td style="text-align: left; vertical-align: top;"> 2.5% </td> <td style="text-align: left; vertical-align: top;"> 2.5% </td> </tr> <tr> <td style="vertical-align: top;"> Arlington County<sup>4</sup> </td> <td style="vertical-align: top;"> Arlington County </td> <td style="vertical-align: top;"> Arlington County </td> </tr> <tr> <td style="text-align: right; vertical-align: top;"> 1.7% </td> <td style="text-align: left; vertical-align: top;"> 2.7% </td> <td style="text-align: left; vertical-align: top;"> 2.7% </td> </tr> <tr> <td style="vertical-align: top;"> FCPS<sup>1</sup> (VRS Hybrid + Supplemental) </td> <td></td> <td></td> </tr> <tr> <td style="text-align: right; vertical-align: top;"> 1.8% </td> <td></td> <td></td> </tr> </tbody> </table> <p><sup>1</sup> The VRS Hybrid Plan also includes a defined contribution component with a 1% to 3.5% employer contribution.  <sup>2</sup> Federal employees also receive a 1% to 5% employer contribution to a defined contribution plan.  <sup>3</sup> The defined benefit component of FERS for general employees is 1%, but increases to 1.1% for those retiring at age 62 or older with 20 or more years of service.  <sup>4</sup> Arlington County general employees also receive a 4.2% employer contribution to a defined contribution plan.</p>			VRS Hybrid Plan <sup>1</sup> (Loudoun, Prince William)	VRS Plan 2 (Loudoun, Prince William)	VRS Plan 2 (Loudoun, Prince William)	1%	1.70% <i>or</i> 1.85%	1.70% <i>or</i> 1.85%	Federal Government <sup>2,3</sup> (FERS)	Federal Government <sup>2</sup> (FERS)	Federal Government <sup>2</sup> (FERS)	1% <i>or</i> 1.1%	1.7% (1% after 20 YOS)	1.7% (1% after 20 YOS)	City of Alexandria <sup>1</sup> (VRS Hybrid + Supplemental)	City of Alexandria	City of Alexandria	1.8%	2.5%	2.5%	Arlington County <sup>4</sup>	Arlington County	Arlington County	1.7%	2.7%	2.7%	FCPS <sup>1</sup> (VRS Hybrid + Supplemental)			1.8%		
VRS Hybrid Plan <sup>1</sup> (Loudoun, Prince William)	VRS Plan 2 (Loudoun, Prince William)	VRS Plan 2 (Loudoun, Prince William)																														
1%	1.70% <i>or</i> 1.85%	1.70% <i>or</i> 1.85%																														
Federal Government <sup>2,3</sup> (FERS)	Federal Government <sup>2</sup> (FERS)	Federal Government <sup>2</sup> (FERS)																														
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City of Alexandria <sup>1</sup> (VRS Hybrid + Supplemental)	City of Alexandria	City of Alexandria																														
1.8%	2.5%	2.5%																														
Arlington County <sup>4</sup>	Arlington County	Arlington County																														
1.7%	2.7%	2.7%																														
FCPS <sup>1</sup> (VRS Hybrid + Supplemental)																																
1.8%																																
<p><b>Previous Related Benefit Changes:</b></p> <ul style="list-style-type: none"> <li data-bbox="203 1415 602 1444">• N/A</li> <li data-bbox="602 1415 1019 1541">• In FY 1997, multiplier increased from 1.8% to 2.3%</li> <li data-bbox="602 1478 1019 1541">• In FY 2000, multiplier increased from 2.3% to 2.5%</li> <li data-bbox="1019 1415 1427 1478">• In FY 2000, multiplier increased from 2.5% to 2.8%</li> </ul>																																

## Summary of Potential Plan Design Changes #8 – Add Longevity Steps

<b>Potential Change:</b>		
Add 5% longevity steps at 25 and 30 years for Pay Plans in the Uniformed and Police Systems; Would create separate pay plans for new hires		
Employees'	Uniformed	Police
<b>New Normal Cost:</b>		
<ul style="list-style-type: none"> <li>Normal Cost remains at 7.70% of pay</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost <i>increases</i> from 16.12% to 16.30% of pay</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost <i>increases</i> from 17.98% to 18.08% of pay</li> </ul>
 <p style="text-align: center;"><b>ERS</b></p> <p style="text-align: center;">20% 15% 10% 5% 0%</p> <p style="text-align: center; font-size: 1.2em; font-weight: bold;">7.70%</p>	 <p style="text-align: center;"><b>URS</b></p> <p style="text-align: center;">20% 15% 10% 5% 0%</p> <p style="text-align: center; font-size: 1.2em; font-weight: bold;">16.30%</p>	 <p style="text-align: center;"><b>PORS</b></p> <p style="text-align: center;">20% 15% 10% 5% 0%</p> <p style="text-align: center; font-size: 1.2em; font-weight: bold;">18.08%</p>
<b>Percentage Change in Normal Cost:</b>		
<ul style="list-style-type: none"> <li>The changes in 2013 decreased the Normal Cost by 13.1% (from 8.86% to 7.70%)</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost <i>increases</i> by 1.1%</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost <i>increases</i> by 0.6%</li> </ul>
 <p style="text-align: center;"><b>URS</b></p> <p style="text-align: center;">3% 2% 1% 0%</p> <p style="text-align: center; font-size: 1.2em; font-weight: bold;">1.1%</p>	 <p style="text-align: center;"><b>PORS</b></p> <p style="text-align: center;">3% 2% 1% 0%</p> <p style="text-align: center; font-size: 1.2em; font-weight: bold;">0.6%</p>	<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 4.2% decrease in the Normal Cost (from 17.01% to 16.30%)</li> </ul>
<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 2.5% decrease in the Normal Cost (from 18.54% to 18.08%)</li> </ul>	<b>Employee Share of New Normal Cost:</b>	
<ul style="list-style-type: none"> <li>41%</li> <li>Based on 5.33% EE Rate</li> </ul>	<ul style="list-style-type: none"> <li>30%</li> <li>Based on 7.08% EE Rate</li> </ul>	<ul style="list-style-type: none"> <li>32%</li> <li>Based on 8.65% EE Rate</li> </ul>

**Potential Change:**

Add 5% longevity steps at 25 and 30 years for Pay Plans in the Uniformed and Police Systems; Would create separate pay plans for new hires

Employees'	Uniformed	Police
<p><b>Projected General Fund Savings*:</b></p> <ul style="list-style-type: none"><li data-bbox="605 405 1019 443">• (\$0.30) million</li><li data-bbox="1019 405 1422 443">• (\$0.12) million</li></ul> <p>Total <u>Cost</u> of \$0.42 million across systems. Does not include cost impact related to the pay increases themselves. <small>*Based on current payroll</small></p>		
<p><b>Impact to Employees:</b></p> <ul style="list-style-type: none"><li data-bbox="605 611 1019 852">• Employees would be incentivized to work additional years to get longevity increases; however, any financial benefits to the systems would be offset by higher annuity payments</li><li data-bbox="1019 611 1422 852">• Employees would be incentivized to work additional years to get longevity increases; however, any financial benefits to the systems would be offset by higher annuity payments</li></ul>		
<p><b>Comparison to Other Jurisdictions:</b></p> <ul style="list-style-type: none"><li data-bbox="191 947 605 984">• N/A</li><li data-bbox="605 947 1019 984">• N/A</li><li data-bbox="1019 947 1422 984">• N/A</li></ul>		
<p><b>Previous Related Benefit Changes:</b></p> <ul style="list-style-type: none"><li data-bbox="191 1058 605 1096">• N/A</li><li data-bbox="605 1058 1019 1096">• N/A</li><li data-bbox="1019 1058 1422 1096">• N/A</li></ul>		

## Summary of Potential Plan Design Changes #1b/d – Minimum Retirement Age

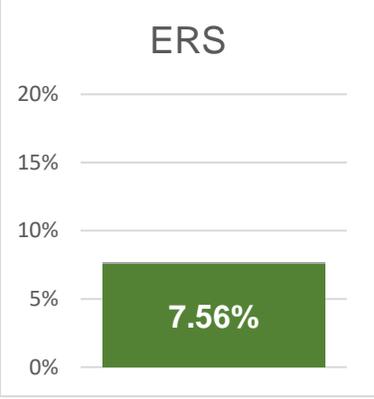
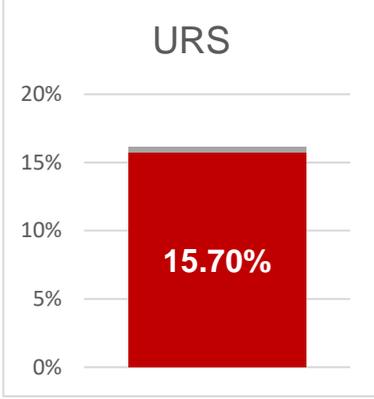
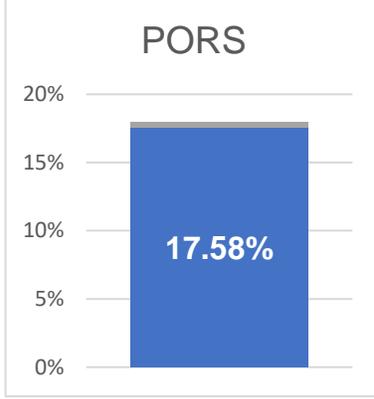
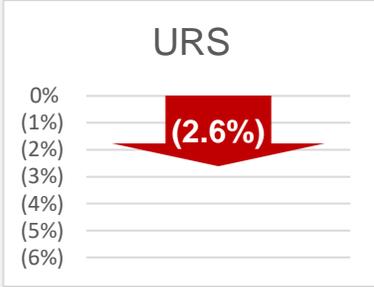
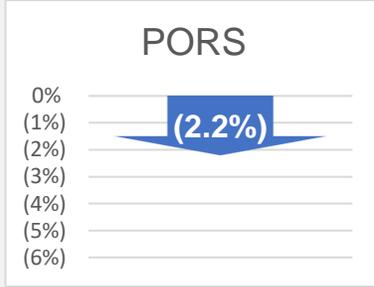
<b>Potential Change:</b>		
Increase Minimum Retirement Age in Employees' system from age 55 to age 57; Establish a minimum retirement age of 47 in the Uniformed and Police systems		
Employees'	Uniformed	Police
<b>New Normal Cost:</b>		
<ul style="list-style-type: none"> <li>Normal Cost decreases from 7.70% to 7.63% of pay</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases from 16.12% to 16.04% of pay</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases from 17.98% to 17.91% of pay</li> </ul>
<p style="text-align: center;"><b>ERS</b></p> <p>20% 15% 10% 5% 0%</p> <p style="text-align: center; font-size: 1.2em; color: green;"><b>7.63%</b></p>	<p style="text-align: center;"><b>URS</b></p> <p>20% 15% 10% 5% 0%</p> <p style="text-align: center; font-size: 1.2em; color: red;"><b>16.04%</b></p>	<p style="text-align: center;"><b>PORS</b></p> <p>20% 15% 10% 5% 0%</p> <p style="text-align: center; font-size: 1.2em; color: blue;"><b>17.91%</b></p>
<b>Percentage Change in Normal Cost:</b>		
<ul style="list-style-type: none"> <li>Normal Cost decreases by 0.9%</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases by 0.5%</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases by 0.4%</li> </ul>
<p style="text-align: center;"><b>ERS</b></p> <p>0% (1%) (2%) (3%) (4%) (5%)</p> <p style="text-align: center; font-size: 1.2em; color: green;"><b>(0.9%)</b></p>	<p style="text-align: center;"><b>URS</b></p> <p>0% (1%) (2%) (3%) (4%) (5%)</p> <p style="text-align: center; font-size: 1.2em; color: red;"><b>(0.5%)</b></p>	<p style="text-align: center;"><b>PORS</b></p> <p>0% (1%) (2%) (3%) (4%) (5%)</p> <p style="text-align: center; font-size: 1.2em; color: blue;"><b>(0.4%)</b></p>
<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 13.9% decrease in the Normal Cost (from 8.86% to 7.63%)</li> </ul>	<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 5.7% decrease in the Normal Cost (from 17.01% to 16.04%)</li> </ul>	<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 3.4% decrease in the Normal Cost (from 18.54% to 17.91%)</li> </ul>
<b>Employee Share of New Normal Cost:</b>		
<ul style="list-style-type: none"> <li>41%</li> <li>Based on 5.33% EE Rate</li> </ul>	<ul style="list-style-type: none"> <li>31%</li> <li>Based on 7.08% EE Rate</li> </ul>	<ul style="list-style-type: none"> <li>33%</li> <li>Based on 8.65% EE Rate</li> </ul>

**Potential Change:**

Increase Minimum Retirement Age in Employees' system from age 55 to age 57; Establish a minimum retirement age of 47 in the Uniformed and Police systems

Employees'	Uniformed	Police																								
<p><b>Projected General Fund Savings*:</b></p> <ul style="list-style-type: none"> <li data-bbox="203 407 389 436">• \$0.26 million</li> <li data-bbox="618 407 805 436">• \$0.13 million</li> <li data-bbox="1031 407 1218 436">• \$0.08 million</li> </ul> <p style="text-align: center;">Total Savings of \$0.47 million across systems *Based on current payroll</p>																										
<p><b>Impact to Employees:</b></p> <table border="0" style="width: 100%;"> <tr> <td style="width: 33%; vertical-align: top;"> <ul style="list-style-type: none"> <li>• Employees would be required to work up to 2 more years prior to retirement</li> <li>• Annuity payments would increase due to higher years of service and a higher final average salary</li> </ul> </td> <td style="width: 33%; vertical-align: top;"> <ul style="list-style-type: none"> <li>• Employees would be required to work up to 4 more years prior to retirement</li> <li>• Annuity payments would increase due to higher years of service and a higher final average salary</li> </ul> </td> <td style="width: 33%; vertical-align: top;"> <ul style="list-style-type: none"> <li>• Employees would be required to work up to 4 more years prior to retirement</li> <li>• Annuity payments would increase due to higher years of service and a higher final average salary</li> </ul> </td> </tr> </table>			<ul style="list-style-type: none"> <li>• Employees would be required to work up to 2 more years prior to retirement</li> <li>• Annuity payments would increase due to higher years of service and a higher final average salary</li> </ul>	<ul style="list-style-type: none"> <li>• Employees would be required to work up to 4 more years prior to retirement</li> <li>• Annuity payments would increase due to higher years of service and a higher final average salary</li> </ul>	<ul style="list-style-type: none"> <li>• Employees would be required to work up to 4 more years prior to retirement</li> <li>• Annuity payments would increase due to higher years of service and a higher final average salary</li> </ul>																					
<ul style="list-style-type: none"> <li>• Employees would be required to work up to 2 more years prior to retirement</li> <li>• Annuity payments would increase due to higher years of service and a higher final average salary</li> </ul>	<ul style="list-style-type: none"> <li>• Employees would be required to work up to 4 more years prior to retirement</li> <li>• Annuity payments would increase due to higher years of service and a higher final average salary</li> </ul>	<ul style="list-style-type: none"> <li>• Employees would be required to work up to 4 more years prior to retirement</li> <li>• Annuity payments would increase due to higher years of service and a higher final average salary</li> </ul>																								
<p><b>Comparison to Other Jurisdictions:</b></p> <table border="0" style="width: 100%;"> <tr> <td style="width: 33%;">VRS Hybrid Plan (Alexandria, FCPS, Loudoun, Prince William)</td> <td style="width: 33%;">VRS Plan 2 (Loudoun, Prince William)</td> <td style="width: 33%;">VRS Plan 2 (Loudoun, Prince William)</td> </tr> <tr> <td style="text-align: right;">None</td> <td style="text-align: right;">50</td> <td style="text-align: right;">50</td> </tr> <tr> <td>Federal Government (FERS)</td> <td>Federal Government (FERS)</td> <td>Federal Government (FERS)</td> </tr> <tr> <td style="text-align: right;">Age 55-57</td> <td style="text-align: right;">50</td> <td style="text-align: right;">50</td> </tr> <tr> <td>Arlington County</td> <td>City of Alexandria</td> <td>City of Alexandria</td> </tr> <tr> <td style="text-align: right;">None</td> <td style="text-align: right;">50</td> <td style="text-align: right;">50</td> </tr> <tr> <td></td> <td>Arlington County</td> <td>Arlington County</td> </tr> <tr> <td></td> <td style="text-align: right;">None</td> <td style="text-align: right;">None</td> </tr> </table>			VRS Hybrid Plan (Alexandria, FCPS, Loudoun, Prince William)	VRS Plan 2 (Loudoun, Prince William)	VRS Plan 2 (Loudoun, Prince William)	None	50	50	Federal Government (FERS)	Federal Government (FERS)	Federal Government (FERS)	Age 55-57	50	50	Arlington County	City of Alexandria	City of Alexandria	None	50	50		Arlington County	Arlington County		None	None
VRS Hybrid Plan (Alexandria, FCPS, Loudoun, Prince William)	VRS Plan 2 (Loudoun, Prince William)	VRS Plan 2 (Loudoun, Prince William)																								
None	50	50																								
Federal Government (FERS)	Federal Government (FERS)	Federal Government (FERS)																								
Age 55-57	50	50																								
Arlington County	City of Alexandria	City of Alexandria																								
None	50	50																								
	Arlington County	Arlington County																								
	None	None																								
<p><b>Previous Related Benefit Changes:</b></p> <ul style="list-style-type: none"> <li data-bbox="203 1262 589 1381">• As of January 1, 2013, the Minimum Retirement Age was increased from age 50 to 55 for new hires</li> <li data-bbox="618 1262 699 1291">• N/A</li> <li data-bbox="1031 1262 1112 1291">• N/A</li> </ul>																										

## Summary of Potential Plan Design Changes #3b – Salary Averaging (4 years)

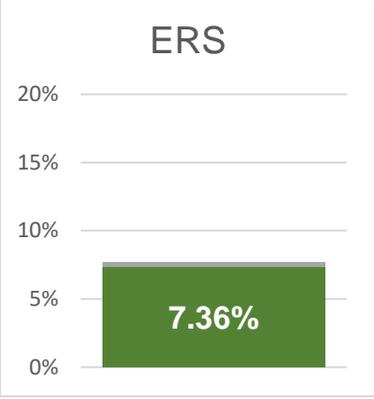
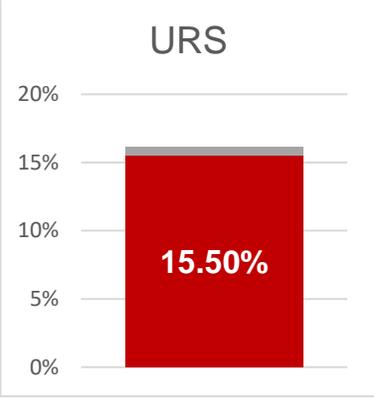
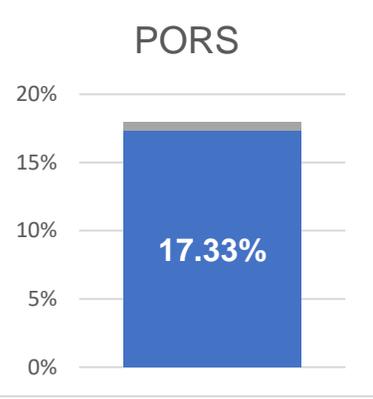
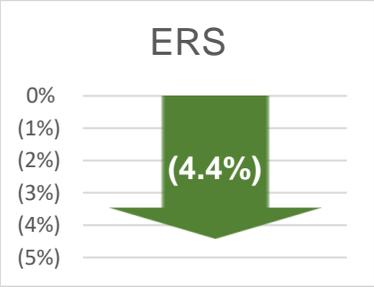
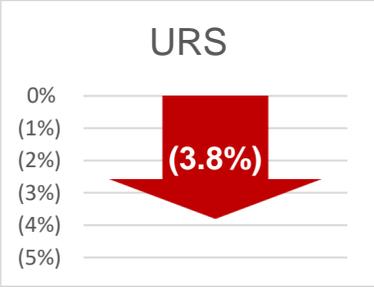
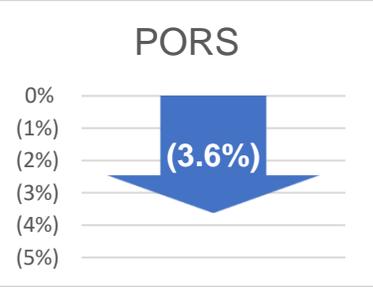
<b>Potential Change:</b>		
Increase Salary Averaging Period from 3 Years to 4 Years		
Employees'	Uniformed	Police
<b>New Normal Cost:</b>		
<ul style="list-style-type: none"> <li>Normal Cost decreases from 7.70% to 7.56% of pay</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases from 16.12% to 15.70% of pay</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases from 17.98% to 17.58% of pay</li> </ul>
 <p style="font-size: 1.2em; font-weight: bold; margin: 0;">ERS</p> <p style="text-align: center; font-weight: bold; color: green; font-size: 1.2em;">7.56%</p>	 <p style="font-size: 1.2em; font-weight: bold; margin: 0;">URS</p> <p style="text-align: center; font-weight: bold; color: red; font-size: 1.2em;">15.70%</p>	 <p style="font-size: 1.2em; font-weight: bold; margin: 0;">PORS</p> <p style="text-align: center; font-weight: bold; color: blue; font-size: 1.2em;">17.58%</p>
<b>Percentage Change in Normal Cost:</b>		
<ul style="list-style-type: none"> <li>Normal Cost decreases by 1.8%</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases by 2.6%</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases by 2.2%</li> </ul>
 <p style="font-size: 1.2em; font-weight: bold; margin: 0;">ERS</p> <p style="text-align: center; font-weight: bold; color: green; font-size: 1.2em;">(1.8%)</p>	 <p style="font-size: 1.2em; font-weight: bold; margin: 0;">URS</p> <p style="text-align: center; font-weight: bold; color: red; font-size: 1.2em;">(2.6%)</p>	 <p style="font-size: 1.2em; font-weight: bold; margin: 0;">PORS</p> <p style="text-align: center; font-weight: bold; color: blue; font-size: 1.2em;">(2.2%)</p>
<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 14.7% decrease in the Normal Cost (from 8.86% to 7.56%)</li> </ul>	<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 7.7% decrease in the Normal Cost (from 17.01% to 15.70%)</li> </ul>	<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 5.2% decrease in the Normal Cost (from 18.54% to 17.58%)</li> </ul>
<b>Employee Share of New Normal Cost:</b>		
<ul style="list-style-type: none"> <li>41%</li> <li>Based on 5.33% EE Rate</li> </ul>	<ul style="list-style-type: none"> <li>31%</li> <li>Based on 7.08% EE Rate</li> </ul>	<ul style="list-style-type: none"> <li>33%</li> <li>Based on 8.65% EE Rate</li> </ul>

**Potential Change:**

Increase Salary Averaging Period from 3 Years to 4 Years

Employees'	Uniformed	Police																									
<p><b>Projected General Fund Savings*:</b></p> <ul style="list-style-type: none"> <li data-bbox="203 373 604 405">• \$0.52 million</li> <li data-bbox="604 373 1016 405">• \$0.69 million</li> <li data-bbox="1016 373 1421 405">• \$0.46 million</li> </ul> <p style="text-align: center;">Total Savings of \$1.67 million across systems *Based on current payroll</p>																											
<p><b>Impact to Employees:</b></p> <ul style="list-style-type: none"> <li data-bbox="203 546 604 693">• Annuity payments would likely decrease based on 1 additional annual salary (likely lower) being included in average</li> <li data-bbox="604 546 1016 693">• Annuity payments would likely decrease based on 1 additional annual salary (likely lower) being included in average</li> <li data-bbox="1016 546 1421 693">• Annuity payments would likely decrease based on 1 additional annual salary (likely lower) being included in average</li> </ul>																											
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City of Alexandria	4 Years																										
Arlington County	3 Years																										
<p><b>Previous Related Benefit Changes:</b></p> <ul style="list-style-type: none"> <li data-bbox="203 1255 604 1287">• N/A</li> <li data-bbox="604 1255 1016 1287">• N/A</li> <li data-bbox="1016 1255 1421 1287">• N/A</li> </ul>																											

## Summary of Potential Plan Design Changes #9 – Eliminate 3% Formula Increase

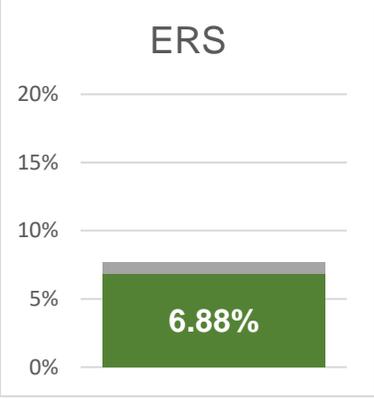
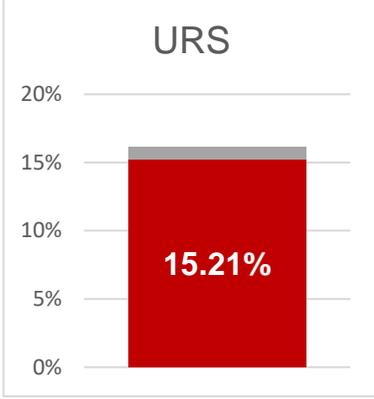
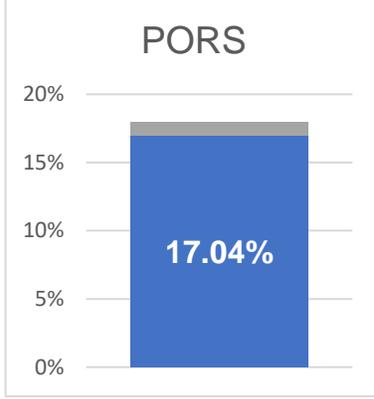
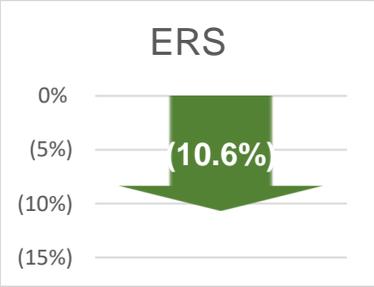
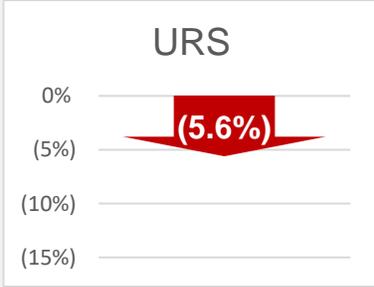
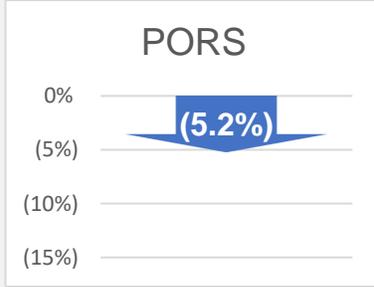
<b>Potential Change:</b>		
Eliminate the provision that increases the calculated retirement annuity by 3 percent		
Employees'	Uniformed	Police
<b>New Normal Cost:</b>		
<ul style="list-style-type: none"> <li>Normal Cost decreases from 7.70% to 7.36% of pay</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases from 16.12% to 15.50% of pay</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases from 17.98% to 17.33% of pay</li> </ul>
 <p><b>ERS</b></p> <p>20% 15% 10% 5% 0%</p> <p style="font-size: 1.2em; font-weight: bold; color: green;">7.36%</p>	 <p><b>URS</b></p> <p>20% 15% 10% 5% 0%</p> <p style="font-size: 1.2em; font-weight: bold; color: red;">15.50%</p>	 <p><b>PORS</b></p> <p>20% 15% 10% 5% 0%</p> <p style="font-size: 1.2em; font-weight: bold; color: blue;">17.33%</p>
<b>Percentage Change in Normal Cost:</b>		
<ul style="list-style-type: none"> <li>Normal Cost decreases by 4.4%</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases by 3.8%</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases by 3.6%</li> </ul>
 <p><b>ERS</b></p> <p>0% (1%) (2%) (3%) (4%) (5%)</p> <p style="font-size: 1.2em; font-weight: bold; color: green;">(4.4%)</p>	 <p><b>URS</b></p> <p>0% (1%) (2%) (3%) (4%) (5%)</p> <p style="font-size: 1.2em; font-weight: bold; color: red;">(3.8%)</p>	 <p><b>PORS</b></p> <p>0% (1%) (2%) (3%) (4%) (5%)</p> <p style="font-size: 1.2em; font-weight: bold; color: blue;">(3.6%)</p>
<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 16.9% decrease in the Normal Cost (from 8.86% to 7.36%)</li> </ul>	<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 8.9% decrease in the Normal Cost (from 17.01% to 15.50%)</li> </ul>	<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 6.5% decrease in the Normal Cost (from 18.54% to 17.33%)</li> </ul>
<b>Employee Share of New Normal Cost:</b>		
<ul style="list-style-type: none"> <li>42%</li> <li>Based on 5.33% EE Rate</li> </ul>	<ul style="list-style-type: none"> <li>31%</li> <li>Based on 7.08% EE Rate</li> </ul>	<ul style="list-style-type: none"> <li>33%</li> <li>Based on 8.65% EE Rate</li> </ul>

**Potential Change:**

Eliminate the provision that increases the calculated retirement annuity by 3 percent

Employees'	Uniformed	Police
<b>Projected General Fund Savings*:</b> <ul style="list-style-type: none"> <li>• \$1.26 million</li> <li>• \$1.02 million</li> <li>• \$0.75 million</li> </ul> <p style="text-align: center;">Total Savings of \$3.03 million across systems *Based on current payroll</p>		
<b>Impact to Employees:</b> <ul style="list-style-type: none"> <li>• Annuity payments would be approximately 3 percent lower</li> <li>• Annuity payments would be approximately 3 percent lower</li> <li>• Annuity payments would be approximately 3 percent lower</li> </ul>		
<b>Comparison to Other Jurisdictions:</b> <ul style="list-style-type: none"> <li>• N/A</li> <li>• N/A</li> <li>• N/A</li> </ul>		
<b>Previous Related Benefit Changes:</b> <ul style="list-style-type: none"> <li>• Effective July 1, 1995, the calculated retirement annuity of all current and future retirees was increased by 3 percent.</li> <li>• Effective July 1, 1995, the calculated retirement annuity of all current and future retirees was increased by 3 percent.</li> <li>• Effective July 1, 1995, the calculated retirement annuity of all current and future retirees was increased by 3 percent.</li> </ul>		

## Summary of Potential Plan Design Changes #10 – Increase Employee Contribution Rate by 1.0%

<b>Potential Change:</b>		
Increase the employee contribution rate by 1.0 percent.		
Employees'	Uniformed	Police
<b>New Normal Cost:</b>		
<ul style="list-style-type: none"> <li>Normal Cost decreases from 7.70% to 6.88% of pay</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases from 16.12% to 15.21% of pay</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases from 17.98% to 17.04% of pay</li> </ul>
 <p style="text-align: center;"><b>ERS</b></p> <p style="text-align: center;">20% 15% 10% 5% 0%</p> <p style="text-align: center; font-size: 1.2em; color: green;">6.88%</p>	 <p style="text-align: center;"><b>URS</b></p> <p style="text-align: center;">20% 15% 10% 5% 0%</p> <p style="text-align: center; font-size: 1.2em; color: red;">15.21%</p>	 <p style="text-align: center;"><b>PORS</b></p> <p style="text-align: center;">20% 15% 10% 5% 0%</p> <p style="text-align: center; font-size: 1.2em; color: blue;">17.04%</p>
<b>Percentage Change in Normal Cost:</b>		
<ul style="list-style-type: none"> <li>Normal Cost decreases by 10.6%</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases by 5.6%</li> </ul>	<ul style="list-style-type: none"> <li>Normal Cost decreases by 5.2%</li> </ul>
 <p style="text-align: center;"><b>ERS</b></p> <p style="text-align: center;">0% (5%) (10%) (15%)</p> <p style="text-align: center; font-size: 1.2em; color: green;">(10.6%)</p>	 <p style="text-align: center;"><b>URS</b></p> <p style="text-align: center;">0% (5%) (10%) (15%)</p> <p style="text-align: center; font-size: 1.2em; color: red;">(5.6%)</p>	 <p style="text-align: center;"><b>PORS</b></p> <p style="text-align: center;">0% (5%) (10%) (15%)</p> <p style="text-align: center; font-size: 1.2em; color: blue;">(5.2%)</p>
<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 22.3% decrease in the Normal Cost (from 8.86% to 6.88%)</li> </ul>	<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 10.6% decrease in the Normal Cost (from 17.01% to 15.21%)</li> </ul>	<ul style="list-style-type: none"> <li>Including the changes in 2013, this change would result in a 8.1% decrease in the Normal Cost (from 18.54% to 17.04%)</li> </ul>
<b>Employee Share of New Normal Cost:</b>		
<ul style="list-style-type: none"> <li>48%</li> <li>Based on 6.33% EE Rate</li> </ul>	<ul style="list-style-type: none"> <li>35%</li> <li>Based on 8.08% EE Rate</li> </ul>	<ul style="list-style-type: none"> <li>36%</li> <li>Based on 9.65% EE Rate</li> </ul>

**Potential Change:**

Increase the employee contribution rate by 1.0 percent.

Employees'	Uniformed	Police			
<p><b>Projected General Fund Savings*:</b></p> <ul style="list-style-type: none"> <li data-bbox="203 373 604 405">• \$3.05 million</li> <li data-bbox="604 373 1016 405">• \$1.50 million</li> <li data-bbox="1016 373 1427 405">• \$1.09 million</li> </ul> <p style="text-align: center;">Total Savings of \$5.64 million across systems *Based on current payroll</p>					
<p><b>Impact to Employees:</b></p> <ul style="list-style-type: none"> <li data-bbox="203 548 604 604">• Employee net pay would decrease</li> <li data-bbox="604 548 1016 604">• Employee net pay would decrease</li> <li data-bbox="1016 548 1427 604">• Employee net pay would decrease</li> </ul>					
<p><b>Comparison to Other Jurisdictions:</b></p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; vertical-align: top;"> <p>VRS Hybrid Plan (Loudoun, Prince William) 5-9%</p> <p>Federal Government (FERS) 4.4-9.4%</p> <p>City of Alexandria 7-11%</p> <p>Arlington County 4%</p> <p>FCPS 8-12%</p> </td> <td style="width: 33%; vertical-align: top;"> <p>VRS Plan 2 (Loudoun) 5%</p> <p>Federal Government (FERS) 4.9-9.9%</p> <p>City of Alexandria 8%</p> <p>Arlington County 7.5%</p> <p>Prince William County 6.44%</p> </td> <td style="width: 33%; vertical-align: top;"> <p>VRS Plan 2 (Loudoun, Prince William) 5%</p> <p>Federal Government (FERS) 4.9-9.9%</p> <p>City of Alexandria 8%</p> <p>Arlington County 7.5%</p> <p>Prince William County 6.44%</p> </td> </tr> </table>			<p>VRS Hybrid Plan (Loudoun, Prince William) 5-9%</p> <p>Federal Government (FERS) 4.4-9.4%</p> <p>City of Alexandria 7-11%</p> <p>Arlington County 4%</p> <p>FCPS 8-12%</p>	<p>VRS Plan 2 (Loudoun) 5%</p> <p>Federal Government (FERS) 4.9-9.9%</p> <p>City of Alexandria 8%</p> <p>Arlington County 7.5%</p> <p>Prince William County 6.44%</p>	<p>VRS Plan 2 (Loudoun, Prince William) 5%</p> <p>Federal Government (FERS) 4.9-9.9%</p> <p>City of Alexandria 8%</p> <p>Arlington County 7.5%</p> <p>Prince William County 6.44%</p>
<p>VRS Hybrid Plan (Loudoun, Prince William) 5-9%</p> <p>Federal Government (FERS) 4.4-9.4%</p> <p>City of Alexandria 7-11%</p> <p>Arlington County 4%</p> <p>FCPS 8-12%</p>	<p>VRS Plan 2 (Loudoun) 5%</p> <p>Federal Government (FERS) 4.9-9.9%</p> <p>City of Alexandria 8%</p> <p>Arlington County 7.5%</p> <p>Prince William County 6.44%</p>	<p>VRS Plan 2 (Loudoun, Prince William) 5%</p> <p>Federal Government (FERS) 4.9-9.9%</p> <p>City of Alexandria 8%</p> <p>Arlington County 7.5%</p> <p>Prince William County 6.44%</p>			
<p><b>Previous Related Benefit Changes:</b></p> <ul style="list-style-type: none"> <li data-bbox="203 1125 604 1157">• N/A</li> <li data-bbox="604 1125 1016 1157">• N/A</li> <li data-bbox="1016 1125 1427 1251">• The employee contribution rate has been reduced from 12.00% to 8.65% since FY 2008</li> </ul>					